



PSC NEWS

Missouri Public Service Commission

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PSC Approves Agreement In KCP&L Decommissioning Case ***Customer Rates To Remain The Same***

JEFFERSON CITY—The Missouri Public Service Commission has approved an agreement reached by Kansas City Power & Light Company (KCPL), the Office of the Public Counsel and the Public Service Commission Staff which addresses KCPL's decommissioning cost estimate and funding level of its nuclear decommissioning trust fund.

KCPL stated in its application that the current annual funding level of approximately \$2.3 million is adequate to meet the cost of decommissioning the Wolf Creek nuclear power plant (KCPL owns 47% of the Wolf Creek nuclear power plant). KCPL recommended that the current annual contribution amount not be changed at this time. In the agreement approved by the Commission, all parties believe the current contribution is appropriate and therefore current electric rates for KCPL customers should not change as a result of contributions to this trust fund. KCPL's cost estimate to decommission the Wolf Creek nuclear power plant is approximately \$517.6 million in 2005 dollars.

As part of a 1986 Public Service Commission rate case decision dealing with the costs of KCPL's Wolf Creek nuclear power plant, the Commission ordered KCPL to establish an external fund for the decommissioning money collected (in customer rates) over the life of the plant. The external fund is administered through a trustee. The funds accumulated in the trust are invested by the trustee and are unavailable for company use until the plant is decommissioned.

Missouri Public Service Commission rules and regulations require review of the decommissioning costs and trust fund accruals every three years. These reviews are designed to ensure adequate funding for decommissioning of the power plant. KCPL filed an application on August 30, 2005, in compliance with Commission rules and regulations.

KCPL serves approximately 267,000 electric customers in western Missouri.